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March 16, 2006

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APPLICATION

6490-65683

Commissioner James H. Welsh Commissioner of Conservation P.O. Box 94275 Baton Rouge, LA 70804-9275

> Re: Alternate Unit Well

ROB L RA SU A Gibson Field

Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of DENBURY ONSHORE, LLC for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters related to the Robulus L Zone, Reservoir A, in the Gibson Field, Terrebonne Parish, Louisiana, for which rules and regulations were established and a single drilling and production unit, designated ROB L RA SUA, was created by Office of Conservation Order No. 478-X, effective May 24, 2005, to-wit:

- 1. To authorize the applicant to drill, designate and utilize an alternate unit well for the unit designated ROB L RA SUA, at the location shown on the attached plat, or any other location no closer than 330 feet from any unit boundary, which is in compliance with the spacing provisions of Office of Conservation Order No. 478-X, effective May 24, 2005;
- 2. To find that the proposed alternate unit well is necessary to drain hydrocarbons from the Robulus L Zone, Reservoir A underlying ROB L RA SUA which cannot be recovered from any other well in said unit:

- 3. To permit the operator, Denbury Onshore, LLC to produce the unit allowable from the unit well, the alternate unit well, or both, at its discretion; and
- 4. To consider such other matters as may be pertinent to this application.

The Robulus L Zone, Reservoir A, was previously defined in Office of Conservation Order No. 478-X, effective May 24, 2005.

Pertinent data relating to this Application can be obtained AT THE COSTS OF THE REQUESTING PARTY from Frank W. Harrison, Jr., 200 Audubon Blvd., Lafayette, Louisiana 70503, (337)-232-4031.

There is attached hereto and made a part hereof a plat which shows the boundaries of ROB L RA SUA and the locations of the current unit well and the proposed alternate unit well. There is also attached hereto a list of the names and addresses of the Interest Owners, Represented Parties, and Interested Parties to whom this proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is also enclosed our check in the amount of \$755.00, made payable to the Office of Conservation, in payment of the required hearing application fee.

Very truly yours,

, RANDALL C. SÓNGY

RCS/elg/bad/Enclosures

cc: Mr. Richard Hudson, District Manager Lafayette District

All Interested Owners, Represented Parties and Interested Parties

P.S. To all Interested Owners, Represented Parties and Interested Parties:

Your receipt of this Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

